

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 806 - HB 718

February 8, 2013

SUMMARY OF BILL: Requires the Department of Economic and Community Development (ECD) to develop and adopt an official logo or seal for products or goods, except for food and agricultural products, that have been substantially processed, fabricated, manufactured or otherwise transformed in Tennessee. Authorizes the Commissioner of ECD to trademark the logo to protect it from misuse or infringement. Authorizes the Commissioner to grant permission to a qualifying producer to use the logo. Authorizes the Commissioner to promulgate rules, determine terms, conditions, and requirements for use, and to establish application fees for logo use.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – \$37,000/One-Time
\$74,500/Recurring**

Assumptions:

- ECD will require one new Development Consultant 3 position to manage the administrative duties for the new logo program. The recurring increase in state expenditures associated with this position is estimated to be \$74,514 (\$50,000 salary + \$13,514 benefits + \$11,000 rent, training, supplies, etc.). The one-time increase in state expenditures is estimated to be \$27,000 (\$15,000 printing and documentation + \$12,000 computer, supplies and materials).
- The cost of developing and adopting the logo will be comparable to the cost of developing a brand image for the Tennessee Solar Institute. ECD has allocated \$10,000 in one-time expenditures for developing the Solar Institute brand image.
- According to ECD, to encourage the use of the logo, no application fee will be charged. Application fees are not charged for the similar Department of Agriculture's PickTN Program.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "L. D. G." followed by a flourish.

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Lucian D. Geise, Executive Director

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